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District Counsel for Tulare Local Healthcare District

IN THE UNITED STATES BANKRUPTCY COURT
 EASTERN DISTRICT OF CALIFORNIA
 FRESNO DIVISION

In re

TULARE LOCAL HEALTHCARE
 DISTRICT, dba TULARE REGIONAL
 MEDICAL CENTER,

Debtor.

Tax ID #: 94-6002897
 Address: 869 N. Cherry Street
 Tulare, CA 93274

CASE NO. 17-13797

Chapter 9

DC NO.: WW-41

Date: N/A
 Time: N/A
 Place: 2500 Tulare Street
 Fresno, CA 93721
 Courtroom 13
 Judge: Honorable René Lastreto II

**DECLARATION OF RILEY C. WALTER IN SUPPORT OF APPLICATION FOR
 ORDER SHORTENING TIME ON MOTION FOR AUTHORITY TO ENTER INTO
 TRANSACTION INCLUDING BORROWING FUNDS, SALES OF PERSONAL
 PROPERTY AND PROVIDING SECURITY, ASSUMPTION AND ASSIGNMENT OF
 CONTRACTS AND LEASES AND FOR AUTHORITY TO LEASE REAL PROPERTY
 PURSUANT TO 11 U.S.C. §§ 105, 362, 364, 365, 901 AND 922**

1 I, Riley C. Walter, hereby declare and represent as follows:

2 1. I am counsel for the Debtor and maintain an office at 205 East River Park
3 Circle, Suite 410, Fresno, California 93720.

4 2. The Debtor seeks to have the Court approve the Motion attached hereto
5 as Exhibit A on shortened notice at a specially set an emergency hearing on an interim
6 borrowing and a final hearing as to the entire Transaction described in the Motion.

7 3. The Debtor shall give notice only to Adventist Health West dba Adventist
8 Health, California Department of Public Health, all secured creditors and counsel,
9 trustees on bonds issued by the Debtor, all persons having requested special notice,
10 the twenty largest unsecured creditors, all persons whose leases are being assigned, all
11 taxing authorities, the Debtor, and the U.S. Trustee's Office by July 20, 2018.¹

12 4. The interests of the Debtor and creditors will be served by shortening time
13 because the Debtor has reached an agreement with Adventist Health to borrow money
14 to reopen the hospital, to sell certain personal property and to lease the facility. The
15 timing of Court approval is critical due to need to obtain voter approval of a ballot
16 measure on November 6, 2018 and to reopen before the suspended acute hospital
17 license is lost. The license suspension deadline is October 28, 2018. A condition of the
18 transaction is Court approval prior to August 8, 2018. **Thus, if the transaction is not**
19 **approved by August 8, 2018 the District will not be able to reopen the hospital**
20 **before its license is lost, which will have devastating consequences to the**
21 **District.**

22 5. FRBP 4001(c) provides that a motion to obtain credit be accompanied by
23 a copy of the agreement. The subject motion herein calls for approval of several
24 agreements related to the overall transaction including the credit agreement, security
25 agreement, management services agreement, asset purchase agreement, lease, and
26 other documents related to the Transaction. The agreements comprise approximately
27


28 ¹ A courtesy notice to all creditors will also be given on July 24, 2018 summarizing the Transaction and pointing creditors to the Motion and definitive documents on the District's website.

1 250+ pages of documents and the documents are summarized by their material terms
2 within the motion. The Debtor requests that it be allowed to reference each document
3 including the credit agreement publically accessible by reference to a website
4 containing the final or nearly final version of each definitive document, and this be
5 permitted in lieu of the actual attachment of the credit agreement and other exhibits.

6 6. The Debtor's board will have a special meeting on the evening of August
7 1, 2018 (or sooner) to consider and approve the definitive documents. The Debtor
8 requires the entry of this Order now so that it will be in a position to assemble all
9 documents required to be served by July 20, 2018.

10 I declare under penalty of perjury that the foregoing facts are true and correct
11 under the laws of the United States of America.

12 Executed this 19th day of July, 2018, at Fresno, California.

13 
14 Riley C. Walter